

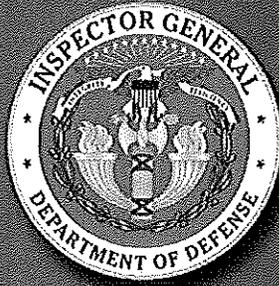
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Report No. 11-121391-398

November 9, 2012

Inspector General

United States
Department of Defense



REPORT OF INVESTIGATION:
DR. CAROL E. LOWMAN
SENIOR EXECUTIVE SERVICE

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REPORT OF INVESTIGATION:
DR. CAROL E. LOWMAN, SENIOR EXECUTIVE SERVICE

I. INTRODUCTION AND SUMMARY

We initiated this investigation to address allegations that Dr. Carol E. Lowman, while serving as Executive Director, U.S. Army Contracting Command (ACC), used her Government Travel Charge Card (GTCC) for unauthorized personal use, in violation of the Department of Defense Financial Management Regulation (DoD FMR); and that (b) (6), (b) (7)(C)

[REDACTED]

We substantiated one allegation. We conclude that Dr. Lowman improperly used her GTCC. We found that Dr. Lowman used the GTCC on two occasions for personal purchases at a designer cosmetics store and at a nail salon. The DoD FMR requires that the GTCC will only be used for official travel related expenses. We determined that Dr. Lowman's purchases were not related to official travel.

(b) (6), (b) (7)(C)

[REDACTED]

By letter dated September 14, 2012, we provided Dr. Lowman the opportunity to comment on the initial results of our investigation. On September 21, 2012, (b) (6), (b) (7)(C) signed for our letter by certified mail. Our Office made multiple attempts to contact Dr. Lowman after receiving no reply by the suspense date of September 28, 2012. Accordingly, we finalized our report of investigation without benefit of a response from Dr. Lowman.

This report sets forth our findings and conclusions based on a preponderance of the evidence.

II. BACKGROUND

Dr. Lowman was appointed as the Executive Director, ACC, on September 27, 2011.² The ACC is a major subordinate command of the U.S. Army Materiel Command (AMC). Prior to her appointment as Executive Director, Dr. Lowman served as the Deputy Director, ACC, beginning in November 2009.

¹ (b) (6), (b) (7)(C)

[REDACTED]

² Dr. Lowman retired from Federal service on August 31, 2012.

On September 28, 2011, DoD IG received a DoD Hotline complaint alleging Dr. Lowman misused, and failed to pay in a timely manner, her GTCC.

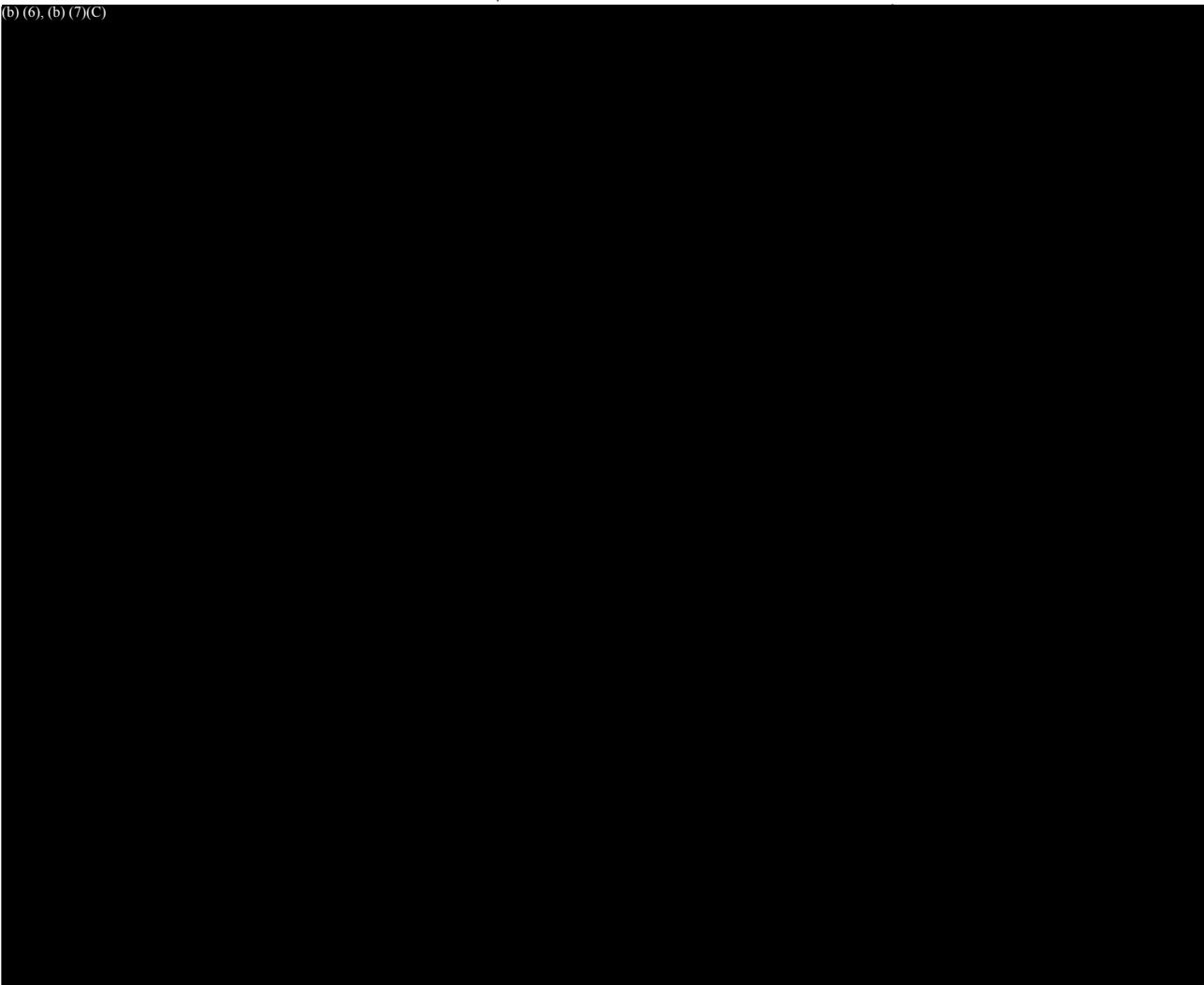
III. SCOPE

We interviewed Dr. Lowman and three witnesses with knowledge of matters under investigation. Additionally, we reviewed records from Defense Finance and Accounting Service (DFAS) and GTCC statements for official travel taken from September 2009 through December 2011.

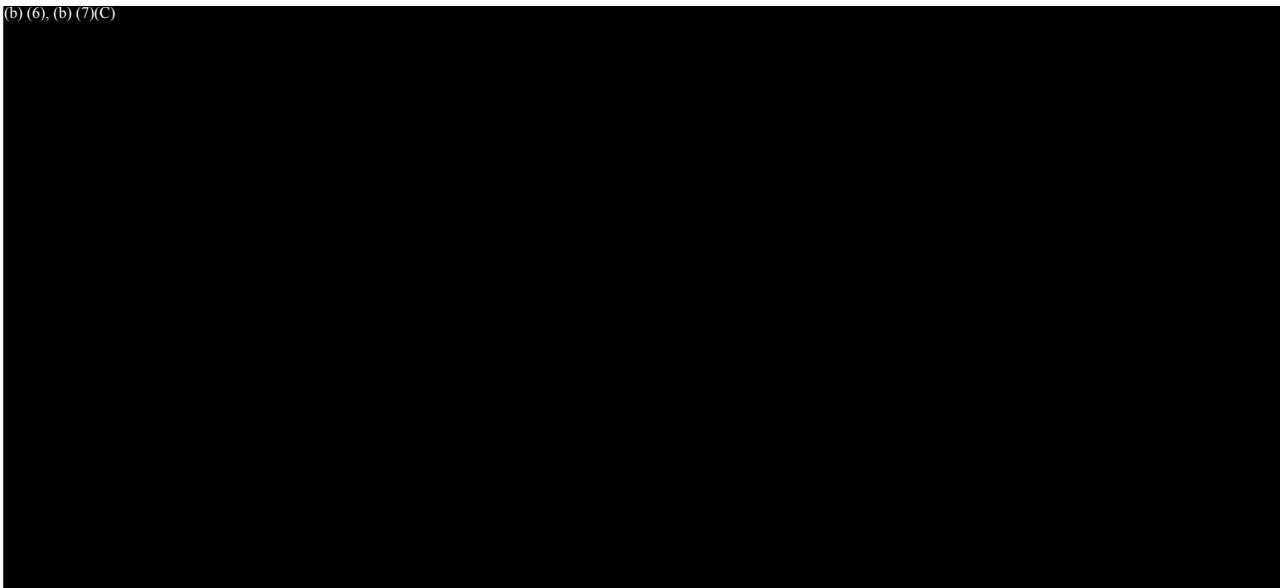
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(b) (6), (b) (7)(C)



IV. FINDINGS AND ANALYSIS

A. Did Dr. Lowman use her GTCC for unauthorized personal use?

Standards

DoD 7000.14-R, "DoD Financial Management Regulation (FMR)," Volume 9, "Travel Policies and Procedures"

Chapter 3, "Department of Defense Government Travel Charge Card (GTCC)," dated August 2010, states in section 031003, that the misuse of the GTCC will not be tolerated. Commanders and supervisors will ensure GTCCs are issued only for official travel related expenses. Example of misuse include: expenses related to personal, family or household purposes. The cardholder, while in a travel status, may use the GTCC for non-reimbursable incidental travel expenses such as in-room movie rentals, personal telephone calls, exercise fees, and beverages, when these charges are part of a room billing and are reasonable.

Facts

The complaint alleged Dr. Lowman used her GTCC for unauthorized personal use.

A witness testified that during a (b) (6), (b) (7)(C) discovered Dr. Lowman had used her GTCC to pay for a manicure and pedicure. The witness related that in March or early April 2010 (b) (6) briefed Dr. Lowman on the proper use of the GTCC.

Dr. Lowman's GTCC statements from September 2009 through December 2011 contained 300 transactions of which two, totaling \$124.78, were questionable. The first instance

was on August 2, 2010, for \$68.78 at Sephora in Arlington, Virginia.³ The second instance was on December 18, 2010, for \$56.00 at Nail Lytan in Atlanta, Georgia.

Dr. Lowman testified she mistakenly used her GTCC instead of her personal credit card. She stated, "that's my other absolute brain dump. One Sephora and one the nail place." Dr. Lowman also testified that no one ever informed her that these purchases were improper.

Dr. Lowman further testified that based on our investigation she directed an audit of her GTCC transactions and a review of all processes related to official travel.

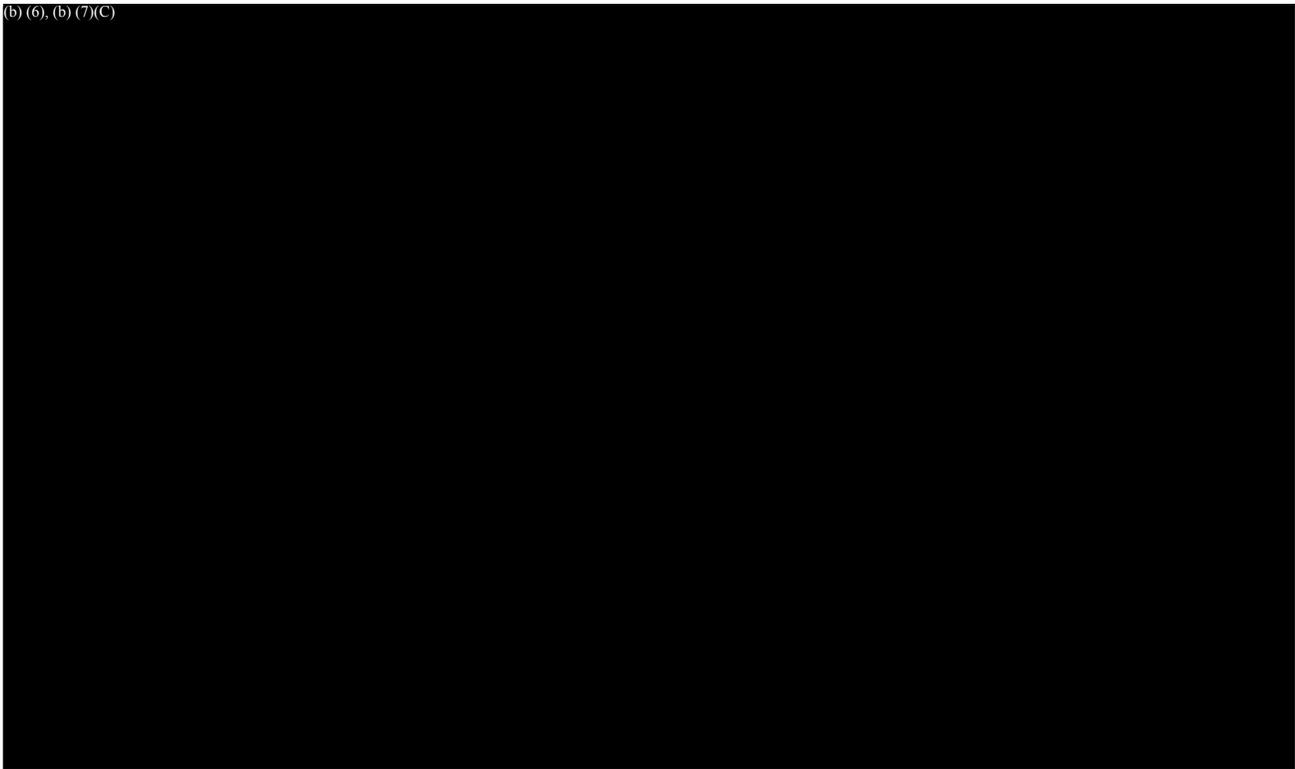
Discussion

We conclude Dr. Lowman used her GTCC for unauthorized personal use. We found two instances in which Dr. Lowman used her GTCC for personal purchases totaling \$124.78. The two purchases were at a designer cosmetics store and a nail salon.

The DoD FMR requires that the GTCC is only to be used for official travel related expenses. Additionally, the DoD FMR permits the use of the GTCC for non-reimbursable incidental travel expenses such as in-room movie rentals, personal telephone calls, exercise fees, and beverages, when these charges are part of a room billing and are reasonable.

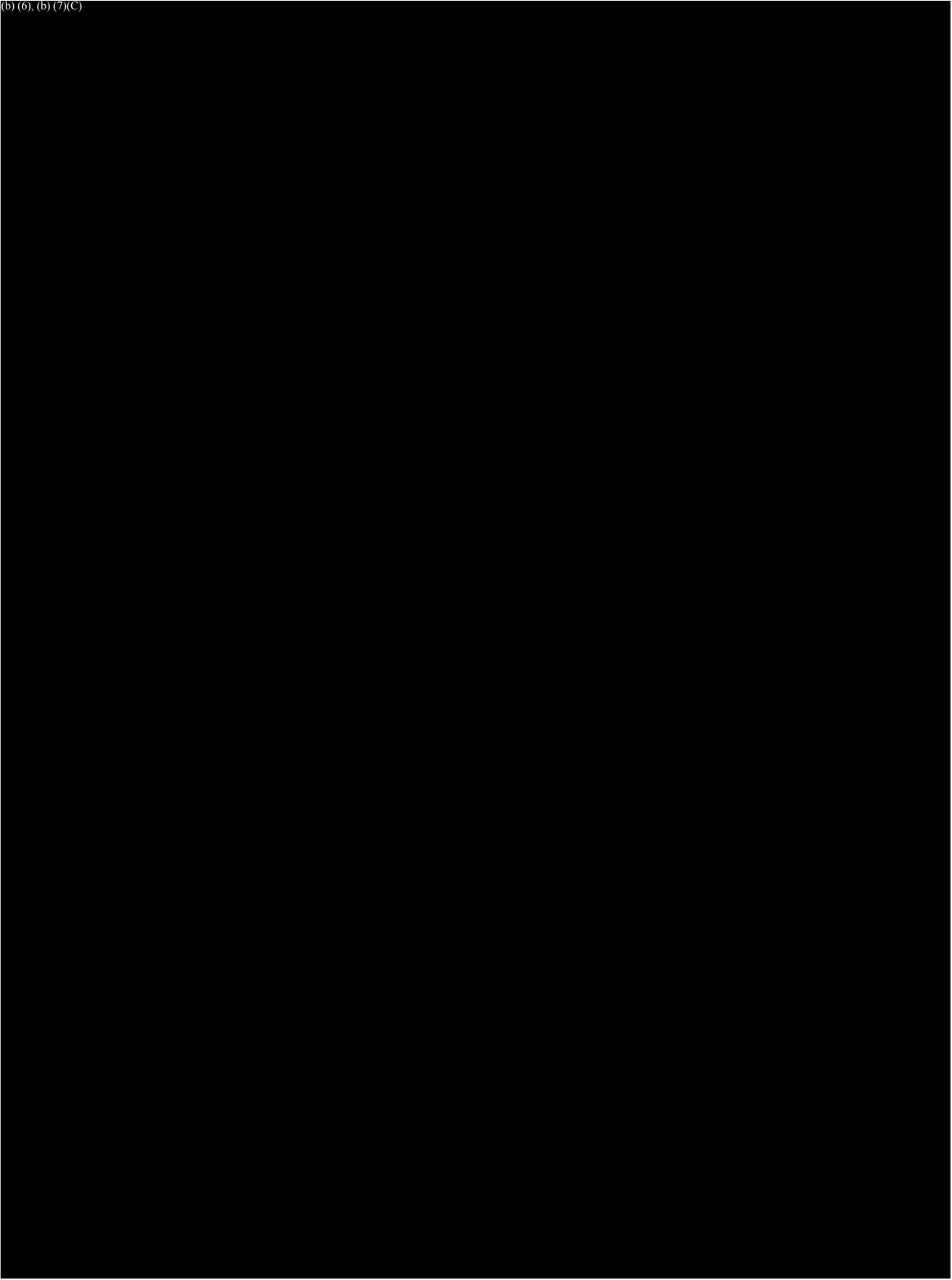
We determined that the two instances were not for official travel related expenses. Additionally, the charges were not part of a room billing. Accordingly, we determined that Dr. Lowman's use of the GTCC for purchases not related to official travel was improper.

(b) (6), (b) (7)(C)



³ Sephora sells name brand and designer cosmetics and fragrances.

(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



V. CONCLUSIONS

A. Dr. Lowman used her GTCC for unauthorized purchases.

(b) (6), (b) (7)(C)



VI. RECOMMENDATION

We have no recommendation in this matter.

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